THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) and (b) Yes, Sir. GAIL propose to implement the National Gas Grid Project linking various sources of gas to demand centers with natural gas pipelines, in a phased manner. As per the preliminary estimates, the Phase-I of the National Gas Grid involves approximately 7,900 Kms. of pipeline and an expenditure of Rs. 20,000 crore. The Phase-I of the project is expected to be completed in 5-7 years, depending upon the availability of gas and marketing tie up.

(c) GAIL follows the procedure of international competitive bidding for all tenders where the value of order is more than Rs. 5 crores.

Lottery system for dealership selection

1491. SHRI AMAR SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of guidelines prescribed by Government for selection of dealers/distributors for allotment of petrol pumps, gas agencies etc. by the public sector oil companies; and

(b) whether there is any proposal under Government's consideration to direct the public sector undertakings to allot dealership to candidates fulfilling the criteria laid down by Government on the basis of lottery system and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) and (b) After the dismantling of the Administered Pricing Mechanism (APM) in the petroleum sector with effect from 1.4.2002, the public sector oil marketing companies (OMCs) are authorized to select dealers/ distributors for retail outlet dealerships (petrol pumps), LPG distributorships and SKO-LDO dealerships on the basis of guidelines adopted by them. The Government have only advised the OMCs to observe certain broad parameters in the guidelines, and these parameters do not include any suggestion for allotment of dealerships/ distributorships through the system of lottery.

Dealership selection Guidelines

1492. SHRI EKANATH K. THAKUR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have agreed to remove the informal ban

and allow public sector oil marketing companies to sign on dealership for petrol and diesel; and

(b) if so, the details of dealer selection guidelines to be followed by the public sector oil marketing companies?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) and (b) After the dismantling of the Administered Pricing Mechanism (APM) in the petroleum sector with effect from 1.4.2002, the public sector oil marketing companies (OMCs) are authorized to select dealers/ distributors for retail outlet dealership (petrol pumps), LPG distributorship and SKO-LDO dealerships on the basis of guidelines adopted by them. The Government have advised the OMCs to observe certain broad parameters in the guidelines.

Policy on Regulation of Pipelines

1493. SHRI RAJKUMAR DHOOT: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have drawn up a policy to regulate long distance pipelines, if so, the details thereof;

(b) whether this policy will cover the existing gas pipelines; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) to (c) The Government has notified guidelines for laying petroleum product pipelines vide notification F.No. P-20012/5/99-PP dated 20.11.2002. These guidelines categorize the pipelines and inter-alia cover the issues of "ownership and access", "tariff" etc. The guidelines provide for at least 25% additional capacity over and above the requirement of the proposal for use by any other industry player under common usage. These guidelines will remain in force till the Petroleum Regulatory Board is established by an Act of Parliament. For gas pipelines, Government have issued a separate draft policy for development of gas pipelines network, inviting comments from stakeholders.